

RAISED BILL 911

February 24, 2011 –

Mr. Chairman and members of the committee:

My name is Susan Christolini. I am the President of Northwest Home Care, Inc. and Treasurer of the Connecticut Association of Home Care Registries.

I am speaking today against Raised Bill 911 for the following reasons:

The bill continues the confusion of the original statute where the words “employee” and “independent contractor” are used synonymously. A distinct separation of the two words would provide more clarity to the meaning and intent of the provisions of the statute. The two words “employee” and “independent contractor” have very different meanings and are governed by distinctly different laws and regulations on a state and federal level.

Section 3:

- (a) If the intent of this modification is to inform the consumer of the duties, responsibilities, obligations and legal liabilities of a registry, should the consumer also be entitled to the same information from a payrolled agency?
- (b) (1) Does the bill propose requiring Registries to advise the consumer that the CLIENT IS responsible for items (A) through (F) or is the amendment requiring Registries to provide answers as to WHO IS RESPONSIBLE for item (A) through (F)? If the later is true, the Homemaker Companion Act of 2006 already contains some of the same requirements.
(2) In Section 20-670-3 of the Regulations of the Department of Consumer Protection, all agencies registered as Homemaker Companion agencies are required to provide a “clear definition of the employee, provider and client employment relationship”. Raised Bill 911 is redundant here.
- (c) The language of this section should include the same language that is in Section 3 (a) 3; stating the liability of the consumer, IF in fact the consumer is deemed the employer.

If Registries are required to comply with Section 3, Homemaker Companion agencies should also be required to comply. Elderly consumers, many with diminished cognitive capacity, are unaware of the intricacies of employment law. Having only a Registry define these issues would lead consumers to believe that Homemaker Companion agencies are not responsible for these same issues. The requirement to provide information should be across the board.

Section 4:

- (a) The list of proposed information to be given to referred individuals serves to further confuse the issues. By definition and by law, independent contractors are responsible for their own supervision, tools and equipment of their trade, and the duties they perform.
- (b) This statement appears to be overly cautionary and non-specific as to the lack of protections afforded. It also fails to mention the advantages of being an independent contractor.

This Bill unfairly singles out Registries in a state where they have served elderly residents and anyone in need of care for over 80 years. Registry owners have worked with the Department of Consumer Protection to recommend and bring about workable regulation for all private home care agencies in the state. Several components in the regulations for PA187, the Companion Homemaker Act of 2006, came from recommendation from the Connecticut Association of Home Care Registries.

Registries deserve the respect of the legislature by not being singled out unfairly and overburdened with regulation that could bring about the demise of a valued elderly resource in a state with a rapidly escalating elderly population. Registries provide thousands of jobs to individuals who care for thousands of elderly residents in Connecticut. at the lowest possible cost.

Are we trying to fit a square peg in a round hole? Instead of trying to make Registries fit into legislation structured for payrolled Homemaker Companion Agencies, perhaps we should be looking to develop separate legislation for Registries. Many other states, including California, Florida, Maryland and Pennsylvania have done this to their benefit. As we've done in the past, The CT Association of Home Care Registries would be very interested in talking to and working with anyone interested in this project.

Thank you.

Nurse Registries & Referral Agencies **An Integral Part of the Continuum of Care for Connecticut's Elderly**

Nurse Registries, also known as Referral Agencies, have existed in Connecticut for over 75 years. The basis of this business model is the referral of independent care providers to individuals in need of short or long-term care. The Nurse Registry industry has been instrumental in reducing the costs of government funded programs by helping the elderly and disabled remain in their own homes and out of institutions. At the same time, Registries have offered ongoing opportunities for work to individuals that otherwise may not have been able to participate in the workplace.

Care providers are referred through Registries into private homes as self employed individuals who pay self employment taxes. Registries either receive a fee from the client for the placement of caregivers or receive a fee from the caregiver for the work opportunity. Caregivers work for clients they choose during hours that they're available to work. Registries serve in an administrative capacity, maintaining a pool of screened care providers and relaying basic information received from the client to the workers. This is the basis of Registry operations today, although the methods may vary slightly from one Registry to the next.

Registries are frequently referred by Visiting Nurse Agencies to their patients who no longer qualify for free services under Medicare, but are still in need of care. Hospice organizations often call for experienced caregivers referred through Registries to assist with end of life care for their patients. In addition, hospitals and rehabilitation centers use Registries to refer care providers for continued care at home for discharged patients. Care providers referred through Registries provide emergency staffing in convalescent hospitals, nursing homes, assisted living centers, residential care centers and group homes, provide temporary nurses in schools and provide private duty nursing services that aid disabled children to be mainstreamed into school systems. The largest portion of care provided by independent care providers referred by Registries however, is provided to the frail elderly enabling them to remain in their own homes where statistics show they are happiest and healthiest. This type of at-home care is responsible in large part for delaying or preventing the entrance of at risk individuals and the elderly into the Title XIX program of the State of Connecticut.

The Executive Summary of the Long Term Care Plan of Connecticut 2004 report to the General Assembly states ¹“the overall goal for Connecticut's long-term care system should be to offer individuals the services and supports of their choice in the least restrictive setting. This means providing real choices to Connecticut residents regarding the types of supports that they need and requires a system that is consumer-focused and driven. “

² “A critical ingredient for an efficient *consumer-directed* home-care delivery system is a Nurse Registry, also known as a home-care referral agency. A Nurse Registry/Referral Agency matches self employed caregivers with consumers who seek home care. These registries recruit caregivers and provide valuable background-screening services”.

¹ Connecticut Long Term Care Planning Committee, *Long-Term Care Plan, A Report to the General Assembly, January 2004*, Page 1

² Private Care Association, Inc. Russell A. Hollrah, *The High Cost of Denying Choice in Home Care*, Page 2

Independent care providers referred by Registries vary in skill level from companions to registered nurses to skilled therapy professionals. Many are full time medical professionals who are licensed by the State of Connecticut. Others are Certified Nursing Assistants or Home Health Aides, registered with the Department of Health. Still others are Personal Care Attendants with no formal training, but with hands on experience learned by caring for family members or private clients. Homemakers provide light housekeeping and shopping services as well as assisting the elderly in maintaining a safe environment in which to live. Companions round out the array of home care workers from registries; everyday people who make lunches and keep seniors socialized in the community, remind them to take their medications and generally provide a degree of safety for the elderly at home.

Individuals referred by Registries vary from stay-at-home Moms who would ordinarily not be in the workplace due to child care conflicts to dedicated professionals who consider this work a career. Still others are individuals seeking additional working hours to compliment full time day jobs. Numerous workers are drawn to this type of work because of the flexibility it offers in regard to working hours and days. For many caregivers, this is the only type of work they are able to participate in and if not for referrals through a Registry, would not be working at all. Traditional shift work in hospitals and nursing homes, and working hours at Visiting Nurse Associations and residential care facilities do not provide the working hour flexibility needed by this type of worker.

Because independent care providers are self employed, the cost of care to the elderly they serve is greatly reduced and therefore, more affordable to a population that can afford care the least. Keeping health care costs in control is a primary concern to everyone including federal and state governments, business and industry and of course, elderly residents in all states. Many states solicit bids from Nurse Registries to fulfill contracts for entitlement programs, substantially reducing the cost of those programs.

Several states, including Florida, Maryland, Pennsylvania, Washington and California have fashioned legislation that regulates this business model. More states are looking to this business model to assist in reducing costs of entitlement programs and care to fixed income elderly. A reduced cost of home care coupled with opportunities for work for many individuals who have found themselves unable to meet the requirements of more traditional work places is a positive situation for everyone involved. Several states require Registries to pay caregivers through "trust" or "escrow" accounts, supplying 1099's at year end and thereby guaranteeing tax accountability and compliance.

Caregivers from a Registry are fully screened; criminal and motor vehicle background checks are performed, professional credentials are verified through the State of Connecticut website and through Prometric; a national database that maintains CNA certifications for many states. Residency documentation and social security records are verified along with previous work history and references from previous work places. Finally, an on-site interview is conducted by the Registry. This process is crucial to insure the safety of the elderly clients served by the Registries.

Nurse Registries are registered with the State of Connecticut, Department of Labor and more recently (2006), with the Department of Consumer Protection. This dual registration affords an increased level of protection for the elderly. Additionally, some Registries are members of the Better Business Bureau where consumers can check the Registry's reliability report online.

Nurse Registries continue to provide professional referrals of qualified, screened care providers for the least cost to anyone in need of care. Fees for Registry referrals can be 40% lower than fees imposed by agencies that payroll caregivers, while the earnings of independent care providers can be 60% higher than the wages of payrolled employees. The opportunity for the lowest possible cost for care coupled with a decent income for caregivers makes using a Registry a win-win situation for the elderly in Connecticut and the economy of the state.

For many years, Registries have proudly and professionally served the elderly in Connecticut with professionalism, kindness and care. They are an important and essential part of the continuum of care for the elderly and disabled in Connecticut.